

## **Organic Updates**

### **Mad Cow Disease Found on Organic Farm in France**

French media reported that in Jura, in eastern France, one cow on a certified organic farm was infected with Bovine Spongiform Encephalopathy (BSE). The 8-year-old milk cow was converted to organic agriculture a year and a half ago. In its first years, the animal was fed with meat and bone meals, which are strictly forbidden in organic agriculture. The certifying agency ECOCERT had certified the breeding farm (110 head) organic according to EU regulations in place since August 2000. Converting a breeding operation from traditional agriculture to organic requires 24 months for soils and 6 months for milk cows. Beef animals older than 16 months must be raised on organic feeds for at least 3/4 of their life. Animals 16 months or younger must have been fed organic feeds for at least 12 months. In comparison, U.S. standards state that any animal sold for meat must be raised organically from the last third of gestation. Even dairy farmers in the United States who think they will sell their old cows for meat, must start off with organic cows.

Presently, about 3,500 breeders in France are certified organic, and their number is increasing. In 1999, 27,000 milk cows (an increase of 37 percent compared to 1998) and 23,000 beef animals (up 45 percent) were certified organic.

### **BSE Crisis Boosts Consumption of Organic Dairy Products in Germany**

German cheese producers report that the demand for cheeses increased by 16 percent in January 2001 compared to January 2000. The cheese industry calls this a BSE effect. Consumers replaced the traditional sliced sausage with cheese. Especially trendy are organic dairy products with guaranteed origin labeling. The organic dairy processors are relatively lucky, in that prior to the BSE crisis, as much as 50 percent of the organically produced milk was being marketed through traditional channels without a profitable mark-up representing its organic origin. Now, in the face of higher demand, more of this organically-produced milk is actually being processed into organic cheese, yogurt and other organic dairy products.

However, since organic dairy products are not differentiated in quality or appearance from conventional dairy products, the German dairy industry is pessimistic that consumers will be willing to continue to pay higher prices for organic products after the BSE shock fades. In 2000, German farmers delivered 27.21 million tons of milk for processing to dairies, an increase of 0.9 percent over 1999, of which less than 1 percent was organic.

### **French Organic Imports From Third Countries Booming**

France is the leading European producer of conventional agriculture and the largest exporter, but it is not able to meet its demand for organic products. Authorization to import organic products from third countries (those outside the EU, including Israel, Switzerland, Hungary, Argentina and Australia) increased from 1,370 tons in 1993 to 21,519 tons in 1999. More than 110,000 tons of organic oilseeds and grains have been imported in 1998 and 1999, as well as 50 million liters of milk from Germany and fresh fruits and vegetables from Spain and Italy. France is also short in organic bovine, poultry, sheep, eggs and butter. In 1985, France was the leading producer of organic commodities in the EU, but is now reported to have fallen behind Italy, Germany, Austria and Sweden.

### **Japan's Organic Vegetable Imports From China Increasing**

Nichirei, a large frozen-food importer in Japan, is planning to start selling frozen organic vegetables from China in supermarkets nationwide this spring, according to the Japan Economic Newspaper. Nichirei was able to reduce prices by contracting with local Chinese vegetable farmers and processing the final product in China. Similarly, last fall, leading supermarket retailer JUSCO began selling frozen spinach, green asparagus, onions, and broccoli imported from China as part of their "Top Value Green Eye" private brand. Both companies' products will be certified under Japan's new JAS organic standard, which took effect April 1.

For more news on organics, see HTP's monthly newsletter "Organic Perspectives," available at the HTP home page: [www.fas.usda.gov/http/organics/organics.html](http://www.fas.usda.gov/http/organics/organics.html) The newsletter contains reports on organics from around the world gleaned from attache reports, trips made by HTP's organics staff, and other sources. The newsletter also covers items of interest about the U.S. national organic program and the domestic organic industry. A list of upcoming conferences, trade shows and other events is included in every issue.